

**For:** State and County Offices

**Announcing Margin Protection Program for Dairy Producers (MPP-Dairy)  
March/April 2016 Payment Trigger**

**Approved by:** Acting Deputy Administrator, Farm Programs



**1 March/April 2016 Payment Trigger**

**A Background**

MPP-Dairy payments are triggered when the National average margin, the difference between the price of milk and the cost of feed, falls below a producer selected margin trigger, ranging from \$4 to \$8, for a specified consecutive 2-month period. All final USDA prices for milk and feed components required to determine the National average margin for March/April 2016 were released on May 31, 2016.

The actual National average margin for the March/April 2016 2-month consecutive period is \$7.14868/cwt., resulting in an MPP payment rate of \$0.85132/cwt., for dairy operations that selected an \$8 margin trigger coverage level and a payment rate of \$0.35132/cwt., for dairy operations that selected a \$7.50 margin trigger coverage level for 2016. Eligible producers will receive a payment based on the amount of covered production history elected by the dairy operation for calendar year 2016, according to 1-MPP, paragraph 61.

**B Purpose**

This notice informs State and County Offices that March/April 2016 period payments for dairy operations that elected an \$8 margin trigger for the 2016 calendar year of coverage will automatically be processed on June 2, 2016, and will be available for signing and certifying on June 3, 2016.

**Note:** Guidance for payment processing provided in 2-MPP, Part 3.

<b>Disposal Date</b>  September 1, 2016	<b>Distribution</b>  State Offices; State Offices relay to County Offices
---	---

**Notice MPP-38**

**1 March/April 2016 Payment Trigger (Continued)**

**C Sequestration**

MPP-Dairy payments will be sequestered at a rate of 6.8 percent. The sequestration reduction is fully automated so no action is required by County Offices.

**D Contact**

If there are questions about this notice, State Offices shall contact either of the following according to this table.

<b>Name</b>	<b>Telephone</b>	<b>E-mail</b>
Dani Cooke	202-720-1919	<a href="mailto:danielle.cooke@wdc.usda.gov">danielle.cooke@wdc.usda.gov</a>
Angela Payton	202-720-0482	<a href="mailto:angela.payton@wdc.usda.gov">angela.payton@wdc.usda.gov</a>